



MIHS FY '05 Performance Improvement Plan

Maricopa County Board of Supervisors
August 2004



Performance Improvement Goals

What we will achieve: Doing it Right!

- The right thing (Quality, Integrity, Compassion)
- In the right place (Setting/Level of care)
- At the right time (When the customer needs it)
- In the right way (In concert w/ PI goals)

Why?

- Become a credit-worthy organization. Improve working capital and invest in OUR future.
- Securing MMC's position in our market.
- The culture needs to change: we need to raise the bar on performance.



Performance Improvement Goals

Targeting \$30 M improvements through:

- Supply chain = \$7 M
- Productivity improvements = \$7 M
- New/Improved Revenue = \$8 M
- Process/IT Improvements = \$8 M

What guides our process: decisions and actions that will improve MMC for patients.



Achieving Performance Improvement

Strengthen management/organizational infrastructure: Interims or new hires in key areas, including:

- Chief Executive Officer
- Chief Financial Officer
- Chief Nursing Executive
- Chief Information Officer
- VP of Human Resources
- VP Revenue Cycle
- Director, Quality and Education
- Director, Burn, Trauma and Emergency Room





Achieving Performance Improvement

 **Strengthen management/organizational infrastructure: oversight and direction by consultants in key areas, including:**

- Financial planning and analysis
- Cost accounting and decision support
- Supply chain
- Revenue cycle
- Care management
- Nursing office and staffing
- Information technology
- Business development
- Behavioral Medicine
- Patient flow



Achieving Performance Improvement

	Target	Identified/Being Implemented	Percent of Total
New/Enhanced Revenue (including revenue cycle)	\$8 M	\$5.2 M	65%
Supply Chain	\$7 M	\$6.6 M	94%
Productivity Improvements	\$7 M	\$4.2 M	60%
Business Process/IT Improvements	\$8 M	\$5.5 M	69%
TOTALS	\$30 M	\$21.5 M	72%





How Goals will be Reached

 **Supply Chain - \$7 M**

- **Accomplishment: IV Pump contract renegotiation = \$424,000 savings this year w/ approximately \$4 M over the life of the contract**
- **Challenge: Changing GPOs**



How Goals will be Reached

 **Productivity improvements - \$7 M**

- **Accomplishment: reduction in nurse travelers (from 140+ several months ago to 84)**
- **Challenge: Contract labor costs house-wide**





How Goals will be Reached

New/Improved Revenue = \$ 8 M

- **Accomplishment: Creating 'transitional bed' status for ED patients. Estimating \$1 M net revenue per year.**
- **Challenge: Point-of-Service Collections**



How Goals will be Reached

Process/IT Improvements - \$8 M

- **Accomplishment: Implementing new business office software w/ \$475,000 net savings this year (net of start-up costs).**
- **Challenge: Clinical resource utilization**





Next Steps

- ✍ **Continue to identify and quantify opportunities**
- ✍ **Develop solutions to our challenges**
- ✍ **Meet w/ OMB to agree upon budget impact and timing**
- ✍ **Plan for continued implementation**
- ✍ **Recruit talent**

